



Sen. Mattie Hunter

Filed: 4/19/2021

10200SB1840sam001

LRB102 15013 CPF 25158 a

1 AMENDMENT TO SENATE BILL 1840

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1840 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Community Benefits Act is amended by  
5 changing Sections 10, 15, and 20 and by adding Section 22 as  
6 follows:

7 (210 ILCS 76/10)

8 Sec. 10. Definitions. As used in this Act:

9 "Bad debt" means the current period charge for actual or  
10 expected doubtful accounting resulting from the extension of  
11 credit.

12 "Charity care" means care provided by a health care  
13 provider for which the provider does not expect to receive  
14 payment from the patient or a third party payer. "Charity  
15 care" includes the actual cost of services provided based upon  
16 the total cost to charge ratio derived from a nonprofit

1 hospital's most recently filed Medicare cost report Worksheet  
2 C and not based upon the charges for the services. "Charity  
3 care" does not include bad debt.

4 "Community benefits" means the unreimbursed cost to a  
5 hospital or health system of providing charity care, language  
6 assistant services, government-sponsored ~~indigent~~ health care,  
7 donations, volunteer services, education,  
8 government-sponsored program services, research, and  
9 subsidized health services and collecting bad debts.

10 "Community benefits" does not include the cost of paying any  
11 taxes or other governmental assessments.

12 "Financial assistance" means a discount provided to a  
13 patient under the terms and conditions the hospital offers to  
14 qualified patients or as required by law.

15 "Government-sponsored ~~Government-sponsored~~ ~~indigent~~  
16 health care" means the unreimbursed cost to a hospital or  
17 health system of Medicare, providing health care services to  
18 recipients of Medicaid, and other federal, State, or local  
19 ~~indigent~~ health care programs, eligibility for which is based  
20 on financial need.

21 "Health system" means an entity that owns or operates at  
22 least one hospital.

23 "Net patient revenue" means gross service revenue less  
24 provisions for contractual adjustments with third-party  
25 payors, courtesy and policy discounts, or other adjustments  
26 and deductions, excluding charity care.

1 "Nonprofit hospital" means a hospital that is organized as  
2 a nonprofit corporation, including religious organizations, or  
3 a charitable trust under Illinois law or the laws of any other  
4 state or country.

5 "Subsidized health services" means those services provided  
6 by a hospital in response to community needs for which the  
7 reimbursement is less than the hospital's cost of providing  
8 the services that must be subsidized by other hospital or  
9 nonprofit supporting entity revenue sources. "Subsidized  
10 health services" includes, but is not limited to, emergency  
11 and trauma care, neonatal intensive care, community health  
12 clinics, and collaborative efforts with local government or  
13 private agencies to prevent illness and improve wellness, such  
14 as immunization programs.

15 (Source: P.A. 93-480, eff. 8-8-03.)

16 (210 ILCS 76/15)

17 Sec. 15. Organizational mission statement; community  
18 benefits plan. A nonprofit hospital shall develop:

19 (1) an organizational mission statement that  
20 identifies the hospital's commitment to serving the health  
21 care needs of the community; and

22 (2) a community benefits plan defined as an  
23 operational plan for serving the community's health care  
24 needs that:

25 (A) sets out goals and objectives for providing

1 community benefits that include charity care and  
2 government-sponsored ~~government-sponsored indigent~~  
3 health care; ~~and~~

4 (B) identifies the populations and communities  
5 served by the hospital; and.

6 (C) describes activities the hospital is  
7 undertaking to address health equity, reduce health  
8 disparities, and improve community health. This may  
9 include, but is not limited to:

10 (i) efforts to recruit and promote a racially  
11 and culturally diverse and representative  
12 workforce;

13 (ii) efforts to procure goods and services  
14 locally and from historically underrepresented  
15 communities;

16 (iii) training that addresses cultural  
17 competency and implicit bias; and

18 (iv) partnerships and investments to address  
19 social needs such as food, housing, and community  
20 safety.

21 (Source: P.A. 93-480, eff. 8-8-03.)

22 (210 ILCS 76/20)

23 Sec. 20. Annual report for community benefits plan.

24 (a) Each nonprofit hospital shall prepare an annual report  
25 of the community benefits plan. The report must include, in

1 addition to the community benefits plan itself, all of the  
2 following background information:

3 (1) The hospital's mission statement.

4 (2) A disclosure of the health care needs of the  
5 community that were considered in developing the  
6 hospital's community benefits plan.

7 (3) A disclosure of the amount and types of community  
8 benefits actually provided, including charity care, and  
9 details about financial assistance applications received  
10 and processed by the hospital as specified in paragraph  
11 (5) of subsection (a) of Section 22. Charity care must be  
12 reported separate from other community benefits. In  
13 reporting charity care, the hospital must report the  
14 actual cost of services provided, based on the total cost  
15 to charge ratio derived from the hospital's Medicare cost  
16 report (CMS 2552-96 Worksheet C, Part 1, PPS Inpatient  
17 Ratios), not the charges for the services. For a health  
18 system that includes more than one hospital, charity care  
19 spending and financial assistance application data must be  
20 reported separately for each individual hospital within  
21 the health system.

22 (4) Audited annual financial reports for its most  
23 recently completed fiscal year.

24 (b) Each nonprofit hospital shall annually file a report  
25 of the community benefits plan with the Attorney General. The  
26 report must be filed not later than the last day of the sixth

1 month after the close of the hospital's fiscal year, beginning  
2 with the hospital fiscal year that ends in 2004.

3 (c) Each nonprofit hospital shall prepare a statement that  
4 notifies the public that the annual report of the community  
5 benefits plan is:

6 (1) public information;

7 (2) filed with the Attorney General; and

8 (3) available to the public on request from the  
9 Attorney General.

10 This statement shall be made available to the public.

11 (d) The obligations of a hospital under this Act, except  
12 for the filing of its audited financial report, shall take  
13 effect beginning with the hospital's fiscal year that begins  
14 after the effective date of this Act. Within 60 days of the  
15 effective date of this Act, a hospital shall file the audited  
16 annual financial report that has been completed for its most  
17 recently completed fiscal year. Thereafter, a hospital shall  
18 include its audited annual financial report for its most  
19 recently completed fiscal year in its annual report of its  
20 community benefits plan.

21 (Source: P.A. 93-480, eff. 8-8-03.)

22 (210 ILCS 76/22 new)

23 Sec. 22. Public reports.

24 (a) In order to increase transparency and accessibility of  
25 charity care and financial assistance data, a hospital shall

1 make the annual hospital community benefits plan report  
2 submitted to the Attorney General under Section 20 available  
3 to the public by publishing the information on the hospital's  
4 website in the same location where annual reports are posted  
5 or on a prominent location on the homepage of the hospital's  
6 website. A hospital is not required to post its audited  
7 financial statements. Information made available to the public  
8 shall include, but shall not be limited to, the following:

9 (1) The reporting period.

10 (2) Charity care costs consistent with the reporting  
11 requirements in paragraph (3) of subsection (a) of Section  
12 20. Charity care costs associated with services provided  
13 in a hospital's emergency department shall be reported as  
14 a subset of total charity care costs.

15 (3) Total net patient revenue, reported separately by  
16 hospital if the reporting health system includes more than  
17 one hospital.

18 (4) Total community benefits spending. If a hospital  
19 is owned or operated by a health system, total community  
20 benefits spending may be reported as a health system.

21 (5) Data on financial assistance applications  
22 consistent with the reporting requirements in paragraph  
23 (3) of subsection (a) of Section 20, including:

24 (A) the number of applications submitted to the  
25 hospital, both complete and incomplete;

26 (B) the number of applications approved; and

1           (C) the number of applications denied and the 5  
2           most frequent reasons for denial.

3           (6) To the extent that race, ethnicity, sex, or  
4           preferred language is collected and available for  
5           financial assistance applications, the data outlined in  
6           paragraph (5) shall be reported by race, ethnicity, sex,  
7           and preferred language. If this data is not provided by  
8           the patient, the hospital shall indicate this in its  
9           reports. Public reporting of this information shall begin  
10           with the community benefit report filed on or after July  
11           1, 2022. A hospital that files a report without having a  
12           full year of demographic data as required by this Act may  
13           indicate this in its report.

14           (b) The Attorney General shall provide notice on the  
15           Attorney General's website informing the public that, upon  
16           request, the Attorney General will provide the annual reports  
17           filed with the Attorney General under Section 20. The notice  
18           shall include the contact information to submit a request.

19           Section 10. The Hospital Uninsured Patient Discount Act is  
20           amended by changing Sections 5, 10, 15, and 25 as follows:

21           (210 ILCS 89/5)

22           Sec. 5. Definitions. As used in this Act:

23           "Community health center" means a federally qualified  
24           health center as defined in Section 1905(1)(2)(B) of the

1 federal Social Security Act or a federally qualified health  
2 center look-alike.

3 "Cost to charge ratio" means the ratio of a hospital's  
4 costs to its charges taken from its most recently filed  
5 Medicare cost report (CMS 2552-96 Worksheet C, Part I, PPS  
6 Inpatient Ratios).

7 "Critical Access Hospital" means a hospital that is  
8 designated as such under the federal Medicare Rural Hospital  
9 Flexibility Program.

10 "Family income" means the sum of a family's annual  
11 earnings and cash benefits from all sources before taxes, less  
12 payments made for child support.

13 "Federal poverty income guidelines" means the poverty  
14 guidelines updated periodically in the Federal Register by the  
15 United States Department of Health and Human Services under  
16 authority of 42 U.S.C. 9902(2).

17 "Financial assistance" means a discount provided to a  
18 patient under the terms and conditions a hospital offers to  
19 qualified patients or as required by law.

20 "Free and charitable clinic" means a 501(c)(3) tax-exempt  
21 health care organization providing health services to  
22 low-income uninsured or underinsured individuals that is  
23 recognized by either the Illinois Association of Free and  
24 Charitable Clinics or the National Association of Free and  
25 Charitable Clinics.

26 "Health care services" means any medically necessary

1 inpatient or outpatient hospital service, including  
2 pharmaceuticals or supplies provided by a hospital to a  
3 patient.

4 "Hospital" means any facility or institution required to  
5 be licensed pursuant to the Hospital Licensing Act or operated  
6 under the University of Illinois Hospital Act.

7 "Illinois resident" means any a person who lives in  
8 Illinois and who intends to remain living in Illinois  
9 indefinitely. Relocation to Illinois for the sole purpose of  
10 receiving health care benefits does not satisfy the residency  
11 requirement under this Act.

12 "Medically necessary" means any inpatient or outpatient  
13 hospital service, including pharmaceuticals or supplies  
14 provided by a hospital to a patient, covered under Title XVIII  
15 of the federal Social Security Act for beneficiaries with the  
16 same clinical presentation as the uninsured patient. A  
17 "medically necessary" service does not include any of the  
18 following:

19 (1) Non-medical services such as social and vocational  
20 services.

21 (2) Elective cosmetic surgery, but not plastic surgery  
22 designed to correct disfigurement caused by injury,  
23 illness, or congenital defect or deformity.

24 "Rural hospital" means a hospital that is located outside  
25 a metropolitan statistical area.

26 "Uninsured discount" means a hospital's charges multiplied

1 by the uninsured discount factor.

2 "Uninsured discount factor" means 1.0 less the product of  
3 a hospital's cost to charge ratio multiplied by 1.35.

4 "Uninsured patient" means an Illinois resident who is a  
5 patient of a hospital and is not covered under a policy of  
6 health insurance and is not a beneficiary under a public or  
7 private health insurance, health benefit, or other health  
8 coverage program, including high deductible health insurance  
9 plans, workers' compensation, accident liability insurance, or  
10 other third party liability.

11 (Source: P.A. 95-965, eff. 12-22-08.)

12 (210 ILCS 89/10)

13 Sec. 10. Uninsured patient discounts.

14 (a) Eligibility.

15 (1) A hospital, other than a rural hospital or  
16 Critical Access Hospital, shall provide a discount from  
17 its charges to any uninsured patient who applies for a  
18 discount and has family income of not more than 600% of the  
19 federal poverty income guidelines for all medically  
20 necessary health care services exceeding \$150 ~~\$300~~ in any  
21 one inpatient admission or outpatient encounter.

22 (2) A hospital, other than a rural hospital or  
23 Critical Access Hospital, shall provide a charitable  
24 discount of 100% of its charges for all medically  
25 necessary health care services exceeding \$150 ~~\$300~~ in any

1 one inpatient admission or outpatient encounter to any  
2 uninsured patient who applies for a discount and has  
3 family income of not more than 200% of the federal poverty  
4 income guidelines.

5 (3) A rural hospital or Critical Access Hospital shall  
6 provide a discount from its charges to any uninsured  
7 patient who applies for a discount and has annual family  
8 income of not more than 300% of the federal poverty income  
9 guidelines for all medically necessary health care  
10 services exceeding \$300 in any one inpatient admission or  
11 outpatient encounter.

12 (4) A rural hospital or Critical Access Hospital shall  
13 provide a charitable discount of 100% of its charges for  
14 all medically necessary health care services exceeding  
15 \$300 in any one inpatient admission or outpatient  
16 encounter to any uninsured patient who applies for a  
17 discount and has family income of not more than 125% of the  
18 federal poverty income guidelines.

19 (b) Discount. For all health care services exceeding \$300  
20 in any one inpatient admission or outpatient encounter, a  
21 hospital shall not collect from an uninsured patient, deemed  
22 eligible under subsection (a), more than its charges less the  
23 amount of the uninsured discount.

24 (c) Maximum Collectible Amount.

25 (1) The maximum amount that may be collected in a  
26 12-month ~~12-month~~ period for health care services provided

1 by the hospital from a patient determined by that hospital  
2 to be eligible under subsection (a) is 20% ~~25%~~ of the  
3 patient's family income, and is subject to the patient's  
4 continued eligibility under this Act.

5 (2) The 12-month ~~12-month~~ period to which the maximum  
6 amount applies shall begin on the first date, after the  
7 effective date of this Act, an uninsured patient receives  
8 health care services that are determined to be eligible  
9 for the uninsured discount at that hospital.

10 (3) To be eligible to have this maximum amount applied  
11 to subsequent charges, the uninsured patient shall inform  
12 the hospital in subsequent inpatient admissions or  
13 outpatient encounters that the patient has previously  
14 received health care services from that hospital and was  
15 determined to be entitled to the uninsured discount. The  
16 availability of the maximum collectible amount shall be  
17 included in the hospital's financial assistance  
18 information provided to uninsured patients.

19 (4) Hospitals may adopt policies to exclude an  
20 uninsured patient from the application of subdivision  
21 (c)(1) when the patient owns assets having a value in  
22 excess of 600% of the federal poverty level for hospitals  
23 in a metropolitan statistical area or owns assets having a  
24 value in excess of 300% of the federal poverty level for  
25 Critical Access Hospitals or hospitals outside a  
26 metropolitan statistical area, not counting the following

1 assets: the uninsured patient's primary residence;  
2 personal property exempt from judgment under Section  
3 12-1001 of the Code of Civil Procedure; or any amounts  
4 held in a pension or retirement plan, provided, however,  
5 that distributions and payments from pension or retirement  
6 plans may be included as income for the purposes of this  
7 Act.

8 (d) Each hospital bill, invoice, or other summary of  
9 charges to an uninsured patient shall include with it, or on  
10 it, a prominent statement that an uninsured patient who meets  
11 certain income requirements may qualify for an uninsured  
12 discount and information regarding how an uninsured patient  
13 may apply for consideration under the hospital's financial  
14 assistance policy. The hospital's financial assistance  
15 application shall include language that directs the uninsured  
16 patient to contact the hospital's financial counseling  
17 department with questions or concerns, along with contact  
18 information for the financial counseling department, and shall  
19 state: "Complaints or concerns with the uninsured patient  
20 discount application process or hospital financial assistance  
21 process may be reported to the Health Care Bureau of the  
22 Illinois Attorney General." A website, phone number, or both  
23 provided by the Attorney General shall be included with this  
24 statement.

25 (Source: P.A. 97-690, eff. 6-14-12.)

1 (210 ILCS 89/15)

2 Sec. 15. Patient responsibility.

3 (a) Hospitals may make the availability of a discount and  
4 the maximum collectible amount under this Act contingent upon  
5 the uninsured patient first applying for coverage under public  
6 programs, such as Medicare, Medicaid, AllKids, the State  
7 Children's Health Insurance Program, or any other program, if  
8 there is a reasonable basis to believe that the uninsured  
9 patient may be eligible for such program.

10 (b) Hospitals shall permit an uninsured patient to apply  
11 for a discount within 90 ~~60~~ days of the date of discharge or  
12 date of service.

13 Hospitals shall offer uninsured patients who receive  
14 community-based primary care provided by a community health  
15 center or a free and charitable clinic, are referred by such an  
16 entity to the hospital, and seek access to nonemergency  
17 hospital-based health care services with an opportunity to be  
18 screened for and assistance with applying for public health  
19 insurance programs if there is a reasonable basis to believe  
20 that the uninsured patient may be eligible for a public health  
21 insurance program. An uninsured patient who receives  
22 community-based primary care provided by a community health  
23 center or free and charitable clinic and is referred by such an  
24 entity to the hospital for whom there is not a reasonable basis  
25 to believe that the uninsured patient may be eligible for a  
26 public health insurance program shall be given the opportunity

1 to apply for hospital financial assistance when hospital  
2 services are scheduled.

3 (1) Income verification. Hospitals may require an  
4 uninsured patient who is requesting an uninsured discount  
5 to provide documentation of family income. Acceptable  
6 family income documentation shall include any one of the  
7 following:

8 (A) a copy of the most recent tax return;

9 (B) a copy of the most recent W-2 form and 1099  
10 forms;

11 (C) copies of the 2 most recent pay stubs;

12 (D) written income verification from an employer  
13 if paid in cash; or

14 (E) one other reasonable form of third party  
15 income verification deemed acceptable to the hospital.

16 (2) Asset verification. Hospitals may require an  
17 uninsured patient who is requesting an uninsured discount  
18 to certify the existence or absence of assets owned by the  
19 patient and to provide documentation of the value of such  
20 assets, except for those assets referenced in paragraph

21 (4) of subsection (c) of Section 10. Acceptable  
22 documentation may include statements from financial  
23 institutions or some other third party verification of an  
24 asset's value. If no third party verification exists, then  
25 the patient shall certify as to the estimated value of the  
26 asset.

1           (3) Illinois resident verification. Hospitals may  
2           require an uninsured patient who is requesting an  
3           uninsured discount to verify Illinois residency.  
4           Acceptable verification of Illinois residency shall  
5           include any one of the following:

6                   (A) any of the documents listed in paragraph (1);

7                   (B) a valid state-issued identification card;

8                   (C) a recent residential utility bill;

9                   (D) a lease agreement;

10                  (E) a vehicle registration card;

11                  (F) a voter registration card;

12                  (G) mail addressed to the uninsured patient at an  
13                  Illinois address from a government or other credible  
14                  source;

15                  (H) a statement from a family member of the  
16                  uninsured patient who resides at the same address and  
17                  presents verification of residency; ~~or~~

18                  (I) a letter from a homeless shelter, transitional  
19                  house or other similar facility verifying that the  
20                  uninsured patient resides at the facility; or.

21                  (J) a temporary visitor's drivers license.

22           (c) Hospital obligations toward an individual uninsured  
23           patient under this Act shall cease if that patient  
24           unreasonably fails or refuses to provide the hospital with  
25           information or documentation requested under subsection (b) or  
26           to apply for coverage under public programs when requested

1 under subsection (a) within 30 days of the hospital's request.

2 (d) In order for a hospital to determine the 12 month  
3 maximum amount that can be collected from a patient deemed  
4 eligible under Section 10, an uninsured patient shall inform  
5 the hospital in subsequent inpatient admissions or outpatient  
6 encounters that the patient has previously received health  
7 care services from that hospital and was determined to be  
8 entitled to the uninsured discount.

9 (e) Hospitals may require patients to certify that all of  
10 the information provided in the application is true. The  
11 application may state that if any of the information is  
12 untrue, any discount granted to the patient is forfeited and  
13 the patient is responsible for payment of the hospital's full  
14 charges.

15 (f) Hospitals shall ask for an applicant's race,  
16 ethnicity, sex, and preferred language on the financial  
17 assistance application. However, the questions shall be  
18 clearly marked as optional responses for the patient and shall  
19 note that responses or nonresponses by the patient will not  
20 have any impact on the outcome of the application.

21 (Source: P.A. 95-965, eff. 12-22-08.)

22 (210 ILCS 89/25)

23 Sec. 25. Enforcement.

24 (a) The Attorney General is responsible for administering  
25 and ensuring compliance with this Act, including the

1 development of any rules necessary for the implementation and  
2 enforcement of this Act.

3 (b) The Attorney General shall develop and implement a  
4 process for receiving and handling complaints from individuals  
5 or hospitals regarding possible violations of this Act.

6 (c) The Attorney General may conduct any investigation  
7 deemed necessary regarding possible violations of this Act by  
8 any hospital including, without limitation, the issuance of  
9 subpoenas to:

10 (1) require the hospital to file a statement or report  
11 or answer interrogatories in writing as to all information  
12 relevant to the alleged violations;

13 (2) examine under oath any person who possesses  
14 knowledge or information directly related to the alleged  
15 violations; and

16 (3) examine any record, book, document, account, or  
17 paper necessary to investigate the alleged violation.

18 (d) If the Attorney General determines that there is a  
19 reason to believe that any hospital has violated this Act, the  
20 Attorney General may bring an action in the name of the People  
21 of the State against the hospital to obtain temporary,  
22 preliminary, or permanent injunctive relief for any act,  
23 policy, or practice by the hospital that violates this Act.  
24 Before bringing such an action, the Attorney General may  
25 permit the hospital to submit a Correction Plan for the  
26 Attorney General's approval.

1 (e) This Section applies if:

2 (1) A court orders a party to make payments to the  
3 Attorney General and the payments are to be used for the  
4 operations of the Office of the Attorney General; or

5 (2) A party agrees in a Correction Plan under this Act  
6 to make payments to the Attorney General for the  
7 operations of the Office of the Attorney General.

8 (f) Moneys paid under any of the conditions described in  
9 subsection (e) shall be deposited into the Attorney General  
10 Court Ordered and Voluntary Compliance Payment Projects Fund.  
11 Moneys in the Fund shall be used, subject to appropriation,  
12 for the performance of any function, pertaining to the  
13 exercise of the duties, to the Attorney General including, but  
14 not limited to, enforcement of any law of this State and  
15 conducting public education programs; however, any moneys in  
16 the Fund that are required by the court to be used for a  
17 particular purpose shall be used for that purpose.

18 (g) The Attorney General may seek the assessment of a  
19 civil monetary penalty not to exceed \$500 per violation in any  
20 action filed under this Act where a hospital, by pattern or  
21 practice, knowingly violates Section 10 of this Act.

22 (h) In the event a court grants a final order of relief  
23 against any hospital for a violation of this Act, the Attorney  
24 General may, after all appeal rights have been exhausted,  
25 refer the hospital to the Illinois Department of Public Health  
26 for possible adverse licensure action under the Hospital

1 Licensing Act.

2 (i) Each hospital shall file Worksheet C Part I from its  
3 most recently filed Medicare Cost Report with the Attorney  
4 General within 60 days after the effective date of this Act and  
5 thereafter shall file each subsequent Worksheet C Part I with  
6 the Attorney General within 30 days of filing its Medicare  
7 Cost Report with the hospital's fiscal intermediary.

8 (j) No later than September 1, 2022, the Attorney General  
9 shall provide data on the Attorney General's website regarding  
10 enforcement efforts performed under this Act from July 1, 2021  
11 through June 30, 2022. Thereafter, no later than September 1  
12 of each year through September 1, 2027, the Attorney General  
13 shall annually provide data on the Attorney General's website  
14 regarding enforcement efforts performed under this Act from  
15 July 1 through June 30 of each year. The data shall include the  
16 following:

17 (1) The total number of complaints received.

18 (2) The total number of open investigations.

19 (3) The number of complaints for which assistance in  
20 resolving complaints was provided to constituents  
21 throughout the State by the Attorney General without  
22 resorting to investigations or actions filed.

23 (4) The total number of resolved complaints.

24 (5) The total number of actions filed.

25 (6) A list of the names of facilities found by a  
26 pattern or practice to knowingly violate Section 10, along

1        with any civil penalties assessed against a listed  
2        facility.

3        (Source: P.A. 95-965, eff. 12-22-08.)

4        Section 99. Effective date. This Act takes effect January  
5        1, 2022."